promote exports of iron ore from Paradip Port in the long run, following steps have been taken:—

(i) Provision of incentives by way of additional discount in iron ore prices to induce major buyers to increase off take from Paradip Port;

(ii) Diversification of exports through Paradip Port to countres such as Bulgaria and China.

(iii) As against present capacity to accomodate vessels of 55,000 DWT, it is proposed to deepen the port for handling vessels of upto 1,70,000 DWT class and the proposal has already been approved in principle;

(iv) Proposed construction of Banaspani-Daitari railway line so as to reduce the haulage cost by nearly 50 per cent and thereby reducing losses on export of iron ore through Paradip;

(v) Extension of benefits of 100 per cent Export Oriented Units Scheme to mining industry.

Increase in non-plan expenditure

@837. SHRI PARVATHANENI UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whether the non-plan expenditure is increasing year after year, both at the union and the States' level;

(b) whether several experts and economists have offered suggestions for reduction in non-plan expenditure; and

(c) if so, the details thereof and the action taken thereon?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) In terms of percentage there has not been any significant increase in the Non-Plan expenditure of both Union and the States put together *vis-a-vis* the total expenditure of Union and the States.

(b) and (c) The suggestions received from experts and economists for reduction in Non-Plan expenditure are taken note of while framing the Budgets.

Busting of a racket engaged in issuing forged arms licence

838. SHRI HARVENDRA SINGH HANSPAL: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether the Crime Branch has recently busted a racket engaged in issuing forged arms licences that was operating in several parts of the country as reported in the Indian Express dated 8th April, 1988;

(b) if so, the details of the arrests made in this connection; and

(c) the detils of the illegal arms, etc. recovered and further steps proposed to be taken to nab the culprits?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) Yes, Sir.

(b) 3 persons have been arrested in this connection.

(c) 18 Fake licenecs, and fake rubber stamps of Distt. Magistrate. Ferozepur and Distt. Magistrate, Gurdaspur etc. have been recovered.

Expansion of ties in various fields with E.E.C.

839. SHRI SURENDRA SINGH THAKUR: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have made any efforts to expand ties in various fields with the European Economic Community (EEC);

@Previously Unstarred Question 419 transferred from the 28th April, 1988.